

VZCZCXRO9481
RR RUEHCHI RUEHDT RUEHHM RUEHNH
DE RUEHHI #0450/01 1090912
ZNR UUUUU ZZH
R 180912Z APR 08 ZDK
FM AMEMBASSY HANOI
TO RUEHC/SECSTATE WASHDC 7646
INFO RUEHHM/AMCONSUL HO CHI MINH 4607
RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHC/DEPT OF LABOR WASHINGTON DC

UNCLAS SECTION 01 OF 03 HANOI 000450

SENSITIVE
SIPDIS

STATE FOR EAP/MLS AND DRL/IL
STATE PASS USDOL DUS PONTICELLI, ZHAO
USTR FOR DAVID BISBEE

E.O. 12958: N/A
TAGS: [PREL](#) [PHUM](#) [PGOV](#) [PINR](#) [ASEC](#) [ELAB](#) [EAGR](#) [ILO](#) [ECON](#) [VM](#)

SUBJECT: PRISON LABOR AND CASHEW NUTS IN VIETNAM

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1.(SBU) Summary: Approximately 60 percent of all the prisoners in Vietnam work, with 10 to 15 percent working on outside contracts including cashew nut processing. While the GVN says the purpose of prison labor is "rehabilitation and education" rather than profit, income generated by prison labor in Vietnam is used to subsidize the operation of the GVN prison system. Vietnam is the world's leading producer of cashews and there is currently a labor shortage in the cashew nut industry in Vietnam, but officials from the GVN Ministry of Public Security (MPS) as well as commercial cashew nut exporters told us separately that it would be unlikely for firms to outsource processing of cashew nuts for export to prisons because of the lower quality of work done by prison labor. Post will follow up with MPS in an effort to determine the working conditions of prisoners engaged in cashew production, but it would be difficult to determine definitively whether any of what prisoners produce is exported. End summary.

GVN PRISON SYSTEM PARTLY SUBSIDIZED BY PRISON LABOR

12. (SBU) On April 9, Poloff met with Senior Colonel Nguyen Huu Duyen, Chief, Labor and Vocational Training of the GVN Ministry of Public Security (MPS) Prison Management Unit and several of his deputies. Colonel Duyen was frank and forthcoming throughout the meeting and provided Poloff with a brief overview of Vietnam's prison system and the use of prison labor for the "rehabilitation and education" of Vietnam's prison population.

13. (SBU) Duyen said that the vast majority of prisons in Vietnam are run by MPS while the fewer military prisons are run, under a different structure, by the Ministry of Defense. (Note: The Swiss Embassy in Hanoi, which runs a development program with the MPS Prison Management Unit, tells us there are 44 national prisons run by MPS and approximately 90,000 prisoners in the total network. End note.) Duyen said the GVN pays "thousands of billions" of Vietnamese Dong (Note. 16,000 Dong equal one USD. End note.) each year to run an extensive national network of prisons, of which a "small percentage" is subsidized by income generated from prison labor. Duyen said overall conditions of prisons in Vietnam had improved a lot although they were still "not as good as in the United States or the European Union." He noted that Vietnam generally could not pay its prisoners for their labor, although he hoped they could when "Vietnam became an industrialized nation." All MPS-run prisons are inspected annually by officials from Duyen's office, the Ministry of Justice, and the Supreme People's Procuracy (the GVN's prosecutorial arm).

"REHABILITATION" IS GUIDING PRINCIPLE OF PRISON LABOR

14. (SBU) Duyen said the use of prison labor was "not aimed at economic purposes." Rather, the emphasis was on using labor for the purposes of rehabilitation and education of prisoners so that they can become "model citizens" and contribute to the community upon their release from prison. He said most prisoners had low income and education levels, and that labor "improved their health and attitudes", taught them skills, and ensured they would have "value in society" upon their release. He said labor also taught prisoners community and family responsibilities, and Vietnamese prisoners typically "felt happy" to "complete work projects." The prisoners going through this system, Duyen said, "typically won't recommit crimes."

15. (SBU) According to Duyen, labor obligations are part of the prison sentence, and 60 percent of Vietnam's prisoners perform some kind of labor with 10 to 15 percent of prisoners working at "outside factories or workshops" with which the prison camps have contracts. He said these situations were "run like a business but were not profitable" as goods generated by "low skill" prison labor are usually low quality, noting that the quality was not good enough for exporting. While prisoners are not paid a salary, they may earn cash if they exceed production quotas. Prisoners may raise animals and cultivate crops, work in forestry, logging and on cashew nut plantations, perform carpentry, and produce furniture, clothes and handicrafts. Duyen said that, according to regulations, prisoners who were physically able were typically required to work eight hours a day five days a week, and not more.

PRISON LABOR LAWS RECENTLY UPDATED

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16. (SBU) According to Colonel Duyen, prison labor is regulated by two major laws in Vietnam: the Ordinance on Implementation of Jail Sentences (issued in 1993 and revised in October 2007) and Joint Circular No. 07/2007, a new inter-agency circular involving cooperation among MPS, Ministry of Finance and Ministry of Defense which provides guidance on prison labor, vocational training and the use of income earned by prison labor. According to Duyen, all prisoners are briefed on the law governing prison labor. Other sources tell us the push to amend the laws in 2007 was based on the desire by the GVN for greater transparency on income generated by prisons and the flow of money. Colonel Duyen said the reason for the recent updating of the laws was that Vietnam wanted to "make sure that prison labor was based on the right purpose, rehabilitation and education." Duyen noted that Vietnam continued to upgrade its legal system but still, he admitted, "more regulations were needed."

PRISONER WORK ON CASHEW NUT PLANTATIONS

17. (SBU) Poloff raised allegations by family members of prisoners at Xuan Loc Prison in Dong Nai Province outside HCMC that were forced to de-shell 20 kilos of cashew nuts per day and were injured by exposure to toxins. Though he was not familiar with the specific case, Colonel Duyen acknowledged that prisoners worked on cashew nut plantations and in the processing of the nuts in factories. He said prisoners work on 1,000 hectares of cashew tree plantations nationwide and that there were, indeed, production quotas for prisoners; however, he said these were "much lower than outside quotas." He said laughingly that if we had higher quota targets, the prisoners would not be able to reach them because the education level of the prisoners is too low. However, if prisoners exceeded their quotas they could receive "a bonus," which he elaborated as "cash for their families," gifts or "privileges."

18. (SBU) With regard to safety, Duyen said regulations dictate that prisoners wear gloves and masks, and ventilators are used in cashew nut processing factories. He said there was "no physical torture," and all prisoners were required to wear safety equipment. He

attributed the specific complaint regarding Xuan Loc Prison, to the fact that most prisoners "don't like to work."

MPS, EXPORTERS SAY NO CASHEW EXPORTS FROM PRISON LABOR

¶9. (SBU) With regard to the use of prison labor to produce exports such as cashew nuts, Col. Duyen said "I would love to organize prisoners to produce goods for export," but this was not possible because of the low quality of goods produced by prisoners. He said products produced by prisoners, including cashew nuts, were only purchased and used in domestic markets and by small companies. He elaborated that only small, typically family-run firms contract production work with GVN prison camps. However, the larger state export companies did not because of the low quality of goods produced by prisoners.

¶10. (SBU) Asked to clarify, Colonel Duyen said "zero percent" of Vietnam's exports are produced from prison labor. He elaborated that it was not technically against Vietnamese law to use prison labor for export goods, rather it was a question of good business and profitability.

¶11. (SBU) In separate meetings recently, cashew exporters made similar comments. ConGen HCMC Econoff recently visited a couple of large joint-stock cashew nut companies in southern Vietnam, together responsible for 20 percent of Vietnam's cashew exports, and found protective gear and health care facilities readily available. When asked about the use of prison labor, export firm managers told Econoff that they did not use prison labor or know of anyone in the industry who did. They added that outsourcing to prison camps would be unlikely for firms that want to manage their production chain and control quality.

¶12. (SBU) Both the International Labor Organization (ILO) office in Hanoi, which works with Vietnam on forced and child labor concerns, and the United Nations Office on Drugs and Crime (UNODC), which works with Vietnam on its penal system, told us that they did not have any information on cashew nut production for export in the penal system. Other NGO contacts knew of the use of prison labor in state commercial ventures, especially in logging and forestry, but believed it was done on a small-scale and specific to certain prison camps in certain regions.

¶13. (SBU) In response to a request from Poloff, Colonel Duyen said it may be possible for Mission officers to visit Xuan Loc Prison in

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Dong Nai Province to see conditions for prisoners and how labor is used. The international community is generally not permitted access to Vietnam's prison network, although specific access requests by diplomatic missions and international organizations are sometimes granted.

COMMENT: RELIABLE INFORMATION ELUSIVE

¶14. (SBU) We are encouraged that the MPS seems willing to consider an independent visit to the prisons in question and will follow up in an effort to determine the working conditions of prisoners engaged in cashew production. Commercial considerations may well mean that, as MPS and the exporters assert, little to no cashews produced by prison labor are exported. Given the sheer volume of cashews Vietnam exports as the world's leading producer, however, it would be difficult if not impossible to disprove completely the allegations that some amount of cashews produced by prison labor finds its way into Vietnam's exports.

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